

SMALL HOLDINGS IN INDIA AND THEIR REMEDIES

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I

IMPORTANCE OF AGRICULTURE

A study of the economic ways of getting a living will ever remain important. These ways generally take the form of industries or services. Confining ourselves to industries, they may be divided into primary and secondary. The primary industries are concerned with extracting useful material from the earth, the soil or water and take the form of hunting, fishing, stock raising, lumbering and mining. These primary or extractive industries are fundamental in two ways: (1) They extract from the physical world useful materials which become the original sources of man's subsistence. (2) They provide raw materials for the secondary or manufacturing industries, for, manufactures, in the language of Dr. Franklin, are simply, "substance metamorphosed". From a national point of view as well, the importance of primary industries is beyond question. But important as are the primary industries, farming is by far the most important of them all. It is most ancient and abiding of all industries, primary or secondary : while the fact that it is concerned with 'the production of food is enough to make its problems demand our most serious thought. But when a country, like India, depends almost wholly upon farming its importance cannot be exaggerated. The problems of agricultural economy dealing directly with agricultural production are what to produce, the proper proportion of the factors of production, the size of holdings, the tenures of land etc. In this paper it is attempted to deal only with the problem of the size of holdings as it affects the productivity of agriculture.

II

SMALL HOLDINGS IN INDIA

It may be said that some countries are predominantly countries of small

holdings while in others it is the large holdings that prevail. According to Adam Smith it is the adoption of the law of primogeniture chiefly due to the exigencies of a military life that leads to the creation and preservation of large holdings. While it is the adoption of the law of equal sub-division necessitated by the comparatively peaceful career of a nation that gives rise to small holdings. He says :—

" When land like moveables is considered as the means only of subsistence and enjoyment, the natural law of succession divides it like them among all the children of the family; of all of whom the subsistence and enjoyment may be supposed equally dear to the father, [thus tending to have small holdings. But when land was considered as the means, not of subsistence merely, but of power and protection it was thought better that it should descend undivided to one. In those disorderly times.....to divide it was to ruin it, and to expose every part of it to be opposed and swallowed up by its neighbors. The law of primogeniture, therefore came to take place in the succession of landed estates [thus tending to preserve large holdings] ¹

England is, therefore, a country of large holdings. Post-Revolutionary France is a country of small holdings. So are Holland and Denmark. Turning to India, we find holdings of the following size held separate and direct for the years 1896-97 and 1900-01:

Average area of holdings in acres

Years	Assam	Bombay	Central Provinces	Madras
1896-97	3.37	24.07	17	7
1900-01	3.02	23.9	48	7

Data, more recent, more exact, though from more restricted area, is available from the Baroda State. Statistics of land holdings in the State are summarized in bighas in the following table :

Name of the District	Total Agricultural land	Survey No. into which it is divided	Number of Khatedars	Average under Khatedar	Average area per Survey No.
Baroda	17,17,319	4,30,601	107,638	15—19—2	4
Kadi	25,13,982	5,89,687	141,145	17—16—5	4 1/4
Naosari	10,46,176	2,16,748	52,652	19—17—8	4
Amveli	9,72,040	55,635	17,214	36—9—7	3 1/4
Total ..	82,49,517	12,92,671	318,649	17—10-10	3 7/8

(8 bighas == 5 acres)

holding	sepa- raten plots	of a holdin g	sepa- rate plots	a holding	sepa- rate plots	a holding	sapa- rate plots	a holding	sepa- rate plots	a holding	sepa- rate plots	of a hold- ing	sepa- rate plots
A. g		A. g.		A. g.		A. g.		A. g.		A. g.		A. g	
34 1/2	3	48 6	53	60 0	27	0	9	1 0	14	62 13	27	38 6	
33	2	67 0	38	2 27	8	85 0	8	13 0	18	65	23	23 7	
20.	3	1 9	6	2 31	5	26 9	8	22 0	20	36 16	16	36 3	
1 14	3	6 30	8	16 6	7	..		3 6	4	7 9	5	22 10	
1 30	5	24 0	17	2 35	6			5 0	7	5 26	5	..	
1 101	4							1 26	9	13 16	6	..	
6 33	9							0 26	9	28 4	15	..	
3 29 1/2	7									12 10	8		
2 20 1/2	1		12 7	3		
35 3/4	3	..								5 26	5	..	
			..							3 34	5	..	
			..							3 39	3	..	

(A==acre g==guntha V==village taluka D==district)

These small and scattered holdings have given a real cause for anxiety regarding our great national industry. Comparative Statistics go to swell this feeling by laying bare two very noteworthy but equally sad facts regarding economic life in India ; (1) that it is largely an agricultural country ;* and (2) that its agricultural productivity is the lowest :—

(1) Occupational Statistics

Percentage of Agricultural Population.

England and Wales	15.3
Australia	44.7
Belgium	60.9
Bulgaria	20.7
Denmark	82.6
Denmark	48.2
France	42.7
Germany	35.2
Holland	30.7
Hungary	69.7
Italy	59.4
Russia	58.3
Russia	30.9
India	71.5

USA

33.3

(2) Produce in Lbs. per acre

Country	Wheat	Maize
UK	1973	
Canada	1054	3487
New Zealand	1723	3191
Austria	1150	1135
Egypt	1634	2059
France	1172	1097
Germany	1796	-
Hungary	1056	1489
Japan	1176	1525
USA		
Turkey	1318	1372
Indian Provinces		
UP	850	1100
NWP	555	735
Punjab	555	766
Bombay	510	
U. Burma	322	